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ENCOURAGING EXCELLENCE

Alberta Economic Development and Trade

1988-89 ANNUAL REPORT

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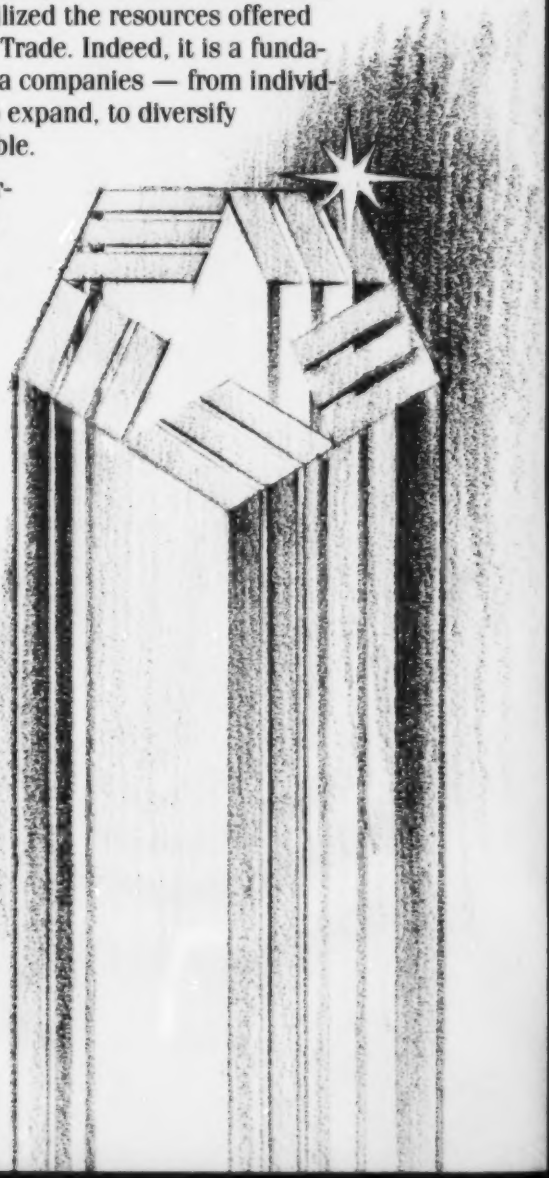
Introduction

ENCOURAGING EXCELLENCE

This year's Annual Report features a symbol which has become synonymous with excellence throughout Alberta's business community. Prestigious Alberta Export Achievement Awards are presented each year to the province's outstanding exporters.

Dispelling the myth that only large corporations have the ability to market their goods, services and expertise beyond the province's borders, many award-winners are small businesses. Many have utilized the resources offered to business by Alberta Economic Development and Trade. Indeed, it is a fundamental objective of the Department to assist Alberta companies — from individual entrepreneurs to established corporations — to expand, to diversify and to explore export opportunities wherever feasible.

By setting high standards for its own undertakings, and by encouraging excellence throughout the Alberta business community, the Department helps companies in all sectors to achieve their full potential. By providing a full range of results-oriented programs and services, the Department works to see that today's innovative small businesses have the opportunity to become the province's "export stars" of tomorrow.



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The Export Achievement Award incorporates a stylized "E" and a stylized "A" to reflect both "Export Achievement" and "Excellence Alberta". These stylized characters are repeated to form the bold outline of a star – once again communicating the standards of excellence represented by the program and achieved by recipients.

Alberta
ECONOMIC DEVELOPMENT
AND TRADE

Office of the Minister

324 Legislature Building, Edmonton, Alberta, Canada T5K 2B6 403/427-2134

February, 1990

Honourable Dr. David J. Carter
Office of the Speaker
Legislative Assembly of Alberta
Room 325, Legislature Building
Edmonton, Alberta
T5K 2B6

Dear Sir:

I have the honour to present the annual report of Alberta Economic Development and Trade for the fiscal year ended March 31, 1989.

Respectfully submitted,

Peter Elzinga

Peter Elzinga,
Minister

92-05245/

A Successful Partnership

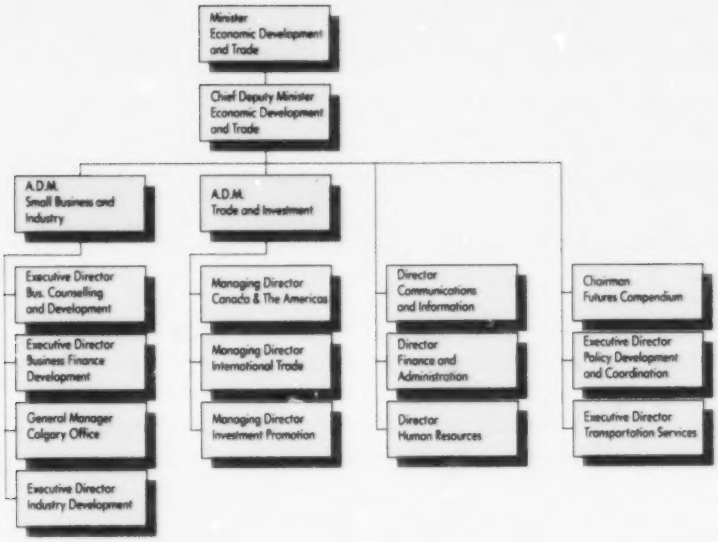
REPORT FROM THE CHIEF DEPUTY MINISTER

In the world of business, every successful corporation can trace its roots to a single individual or small company which launched a bold new idea in the right place, at the right time, with the right strategy for growth. We are fortunate in Alberta to have so many entrepreneurs, innovative and competitive business people who have the vision to undertake new ventures and the talent to see them succeed. Indeed, Alberta's entrepreneurial spirit continues to be the province's greatest resource as our business community continues to diversify into promising new areas of opportunity. This became increasingly apparent during 1988/89, as companies throughout Alberta capitalized on changes which swept across the international trading community.

Among the most noteworthy events, the historic Canada/U.S. Free Trade Agreement came into force on January 1, 1989. Later in the year, the Western Trade Barrier Reduction Agreement was signed by British Columbia, Alberta, Saskatchewan and Manitoba. Both Agreements eliminated or reduced obstacles which had impeded Alberta business in markets beyond the province's borders.

To assist Alberta businesses to seize the opportunities arising from the new trading environment, the Department focussed on enhancing access to markets for Alberta goods and services, and assisting Alberta companies to increase their competitiveness. A new Marketing Strategies Branch was established within the Trade and Investment Division to identify and analyze opportunities for Alberta companies arising from these trade agreements. A major highlight of the year was the planning of the "Let's Talk Trade" seminar series, designed to assist Alberta business to develop strategies for success in the United States and in other high-potential market sectors.

The organizational restructuring of Economic Development and Trade, completed in 1987/88, enabled the Department to effectively concentrate its resources on these initiatives while continuing to make significant strides in other priority areas. The Department continued the drive toward economic diversification by providing a full range of programs and support services for



small business in Alberta, encouraging international investment in growth sectors, and promoting the province's advantages to potential trade partners and investors around the world.

During the year, Alberta exporters broke all existing trade records, exporting close to $14 billion in goods and services. Their successes made a substantial contribution to the provincial economy, accounting for more than 20 per cent of Alberta's GDP in 1988/89. Once again, the province led the nation in GDP growth, and Alberta continued to attract a higher per capita level of investment than any other Canadian province.

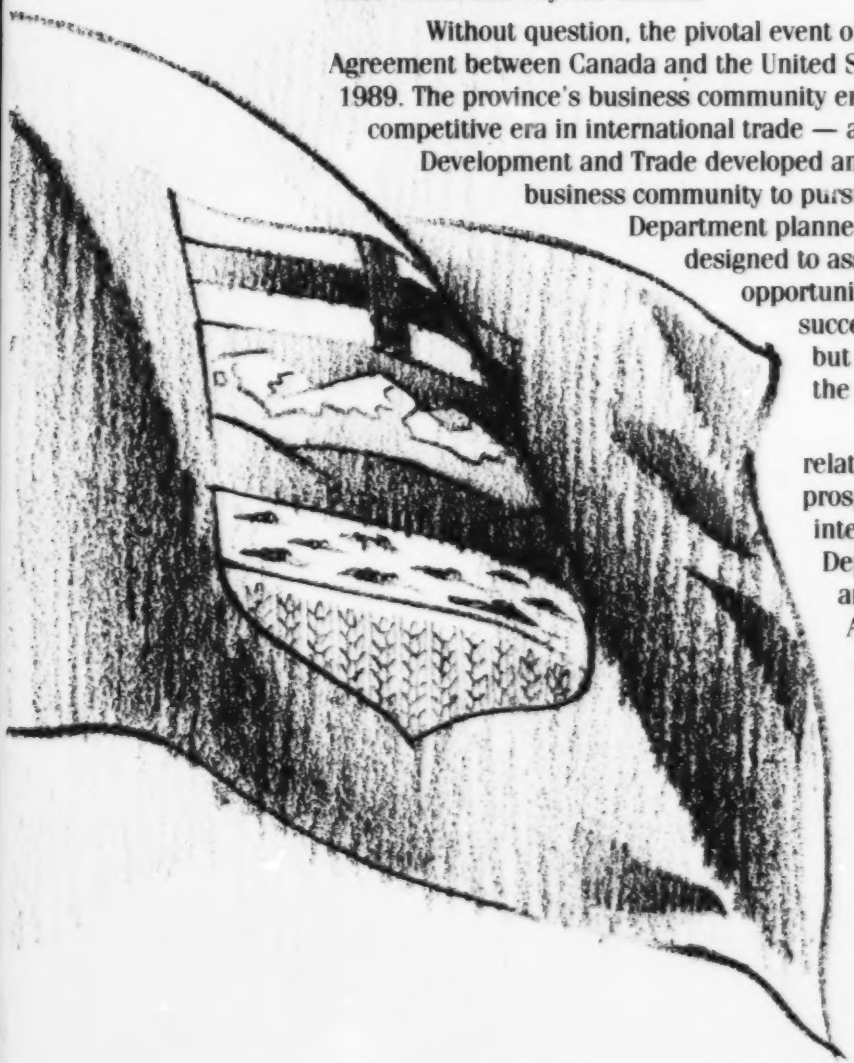
Such impressive year-end results underscore the value of the close working relationship that exists between Alberta's private sector and the Department. As we move toward a new decade, this partnership will prove instrumental in seeing Alberta business continue to rise to the challenges posed by an increasingly competitive marketplace — and continue to achieve excellence.

George de Rappard
Chief Deputy Minister

Seizing the Opportunities

THE YEAR IN REVIEW

Alberta's entrepreneurial business community is both keenly competitive and highly confident, interlocking strengths which proved to be of utmost value during 1988/89. Companies in every sector of the provincial economy rose without hesitation to meet the challenges and seize the opportunities created by a more liberalized trading environment, both within and beyond Canada.



Without question, the pivotal event of the year was when the Free Trade Agreement between Canada and the United States came into force on January 1, 1989. The province's business community entered a new and more competitive era in international trade — and Alberta Economic Development and Trade developed an action plan for working with the business community to pursue new trading opportunities. The Department planned 21 "Let's Talk Trade" seminars, designed to assist Alberta business to identify opportunities and develop strategies for success — not only in the United States, but in other promising markets around the world.

To strengthen existing trade relationships and develop new prospects for Alberta companies in the international marketplace, the Department hosted incoming buyer and investment missions from the Asia/Pacific sector, the Middle East and Europe and led a number of missions abroad. The Department also organized a futures reconnaissance mission to Europe and the Soviet Union, gathering marketing intelligence required for the development of the "Europe 1992" strategy.

During the year, the Department facilitated an historic agreement between the People's Republic of China and the Government of Alberta, laying the groundwork for the establishment of the China/Alberta Petroleum Technology Exchange and Training Centre. To be located in Beijing, the Centre will provide opportunities for Alberta oil and gas companies to strengthen their trade relationships in China.

Within Canada, the signing of the Western Trade Barrier Reduction Agreement marked another significant step forward for Alberta business. The Agreement, actively promoted by the Policy and Planning Division, reduced barriers to trade between British Columbia, Alberta, Saskatchewan and Manitoba and enhanced opportunities for Alberta companies to secure other provincial government procurement contracts.

Throughout the year, the Department encouraged Alberta companies to develop sophisticated and effective marketing strategies. A series of "Trade Show Selling" seminars, developed in co-operation with Chambers of Commerce and industry associations, attracted the participation of more than 250 Alberta businesses.

Indeed, private sector initiative continued to be the driving force behind Alberta's continued economic diversification during the year, efforts which were reinforced by the Department's continued emphasis on the province's diversification strategy. Incorporating valuable input and insights provided by Alberta entrepreneurs and business leaders, the trade strategy "Targetting Tomorrow" set new directions for Alberta in the world of trade and established clear objectives for achievement.

As the province stepped over the threshold into a new era in international trade, the strategy highlighted the Department's role of working in close co-operation with the private sector — assisting Alberta business to mobilize their forces and seize viable new opportunities throughout the global marketplace.

Encouraging Excellence

SMALL BUSINESS AND INDUSTRY DIVISION

The Small Business and Industry Division develops and implements policies and programs that assist existing businesses to improve and grow and encourage the formation of new businesses and industries in Alberta. The Division accomplishes this by assisting companies to identify and evaluate industrial opportunities; providing business counselling, information services and management assistance; facilitating the delivery of entrepreneurial programs; and providing financial initiatives to facilitate domestic and foreign investment activity. The Division also has eleven regional offices throughout the province which provide expertise and support to Alberta communities.

SMALL BUSINESS AND INDUSTRY DIVISION BRANCHES:

Business Counselling and Development

Industry Development

Business Finance Development

Research and Analysis Services

Calgary Office

BUSINESS COUNSELLING AND DEVELOPMENT

The Business Counselling and Development Branch assists Alberta communities to enhance business activity in a manner compatible with local resources. This is accomplished by developing and implementing policies, programs and services based on the principles of self-help and co-operative participation. These initiatives are designed to support the business development initiatives of Alberta businesses, entrepreneurs, individuals, municipalities and economic development and business organizations.

HIGHLIGHTS

Initiated the toll-free Business Line service, which handled over 6,500 calls in eight months.

Provided service to more than 35,000 clients who contacted the Business Counselling and Development Branch Counsellors. This represented an increase of 3,500 contacts over 1987/88.

Completed "Communities on the Grow", an economic development manual, and prepared a distribution program.

Undertook 23 projects through the Management Assistance Program, serving 615 participating businesses.

Completed four special projects with exporting companies under the new Export Trade Readiness for Alberta (EXTRA) program.

Supported 23 research programs under the Market Feasibility Assistance Program and six projects under the Long Term Management Assistance Program.

Supported five projects under the Small Business Incubator Support Program.

CONTACTS

REGIONAL OFFICES

The Department operates regional offices across the province to provide Alberta companies access to business counselling, information services and management assistance; and facilitate the delivery of entrepreneurial education services. In addition, the offices foster positive entrepreneurial attitudes and promote sound management practices helping Alberta's business community make informed business decisions.

Calgary Regional Office
5th Floor
999 - 8th Street S.W.
Calgary, Alberta
T2R 1J5
Telephone: 297-6284

Camrose Regional Office
5005 - 49 Street
Camrose, Alberta
T4V 1N5
Telephone: 679-1235

Medicine Hat Regional Office
#217, Provincial Building
770 - 6th Street S.W.
Medicine Hat, Alberta
T1A 4J6
Telephone: 529-3630

St. Paul Regional Office
P.O. Box 1688
Provincial Building
5025 - 49 Avenue
St. Paul, Alberta
T0A 3A0
Telephone: 645-6358

Edmonton Regional Office
6th Floor, Sterling Place
9940 - 106 Street
Edmonton, Alberta
T5K 2P6
Telephone: 427-5267

Peace River Regional Office
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10122 - 100 Street
Riverdrive Mall
Peace River, Alberta
T8S 1T4
Telephone: 624-6113

Grande Prairie Regional Office
#1401, Provincial Building
10320 - 99 Street
Grande Prairie, Alberta
T8V 6J4
Telephone: 538-5230

Lethbridge Regional Office
416 Stafford Drive South
Postal Bag 3014
Lethbridge, Alberta
T1J 4C7
Telephone: 381-5414

Edson Regional Office
Postal Bag 9000
#204, Provincial Building
111 - 54 Street
Edson, Alberta
T7E 1T2
Telephone: 723-8229

Red Deer Regional Office
3rd Floor
Provincial Building
4920 - 51 Street
Red Deer, Alberta
T4N 6K8
Telephone: 340-5300

BUSINESS FINANCE DEVELOPMENT

The Business Finance Development Branch provides financial support services to the Department, other government departments and the private sector. The Branch administers specific programs and provides input into the development, implementation and administration of financial initiatives designed to foster business development and diversification.

HIGHLIGHTS

Committed $671,175 to the Export Services Support Program to assist with 11 projects of Alberta companies pursuing contracts out of the province.

Issued $32,828,467 in loan guarantees under the Export Loan Guarantee Program to assist with 57 export orders and provided $345,000 to assist 180 Alberta businesses in pursuing new markets through the Market Development Assistance Program.

Provided $780 million in investments, loans, grants and guarantees for 24 projects under Special/Extraordinary Proposals.

Began planning the legislation and administration of two new programs, the Alberta Capital Loan Guarantee Program, which will be designed to share the risk of new business loans with lending institutions by providing a partial guarantee to the lender; and the Alberta Small Business Interest Shielding Program, which will be designed to shield Alberta small businesses and farms from high interest rates.

Assisted six projects under the Economic Diversification Initiatives Program totalling $1,585,000.

RESEARCH AND ANALYSIS SERVICES

Research and Analysis Services provides policy, program and research support to the various branches of the Small Business and Industry Division. This is accomplished by working with Division and Department staff, business, industry, business-related organizations, entrepreneurs, individuals and Alberta communities as well as other departments and governments.

HIGHLIGHTS

Assisted in developing various programs including Long-Term Management Assistance, the Business Line and Business Initiatives for Alberta Communities.

Co-ordinated Division responses and positions on entrepreneurship, industry and community economic development issues.

Completed numerous research studies, proposals and reports on specific products and sectors identified by the private sector as potential business opportunities.

Negotiated a new Federal/Provincial agreement for the continuation of the Small Business Database and updated the Franchise Information Bank.

Continued developing expertise in program evaluation and conducted various program evaluations and reviews.

Developed detailed statistical profiles of women entrepreneurs, proprietorships, partnerships and Alberta communities.

Provided research and analytical support to Alberta members of Federal/Provincial "industrial benefit" committees on major projects.

Participated on the Advisory Committee to the Federal Minister of State for Small Businesses and Tourism in relation to the National Entrepreneurship Symposium.

Provided market research and business information assistance in response to over 475 private and public sector requests.

CALGARY OFFICE

The Calgary Office is responsible for representing the Department of Economic Development and Trade in Calgary in all elements of departmental activities. This is accomplished by working with Alberta businesses, individuals, entrepreneurs and industry representatives, as well as maintaining a network of senior contacts in both the private and public sectors.

HIGHLIGHTS

Working with the International Trade Branch, located a trade officer in Calgary to expedite the delivery of trade services and assistance to the business community in Southern Alberta.

Answered more than 8,000 inquiries through the business counselling section.

Assisted the Department in co-ordinating several activities in Calgary including the annual visit of the Agents General, AltaTrade 1989, the National Petroleum Show, Alberta Small Business Week and various incoming trade missions.

Participated in several public seminars and trade shows on behalf of the Department.

INDUSTRY DEVELOPMENT

The Industry Development Branch enhances industrial development, economic diversification and the growth of private sector enterprises through the implementation of initiatives that encourage specific patterns of investment in industrial sectors. The Branch identifies opportunities for key industrial sectors such as food, chemicals and petrochemicals, secondary forest industries, advanced materials, plastics, consumer products, electronics, advanced manufacturing, aerospace, film, industrial products and services and publishing and printing.

HIGHLIGHTS

Pursued further development of the chemical and petrochemical processing industries. Developments during the year included Union Carbide's announced plans to expand its production facilities, Dow Chemical Canada Inc.'s announced plans to construct a world scale ethylene production facility and the joint Petro Canada/Neste Oy evaluation of an MTBE plant for Alberta. Also encouraged the production of chemicals for Alberta's forest industry.

Monitored procurement activities and the status of 50 projects, in order to ensure that Alberta firms received full and fair opportunity to compete on these projects. The projects, either under construction and/or proposed, have an estimated capital investment of approximately $25 billion.

Maintained contact with over 1,290 companies, providing information and counselling to encourage expansion, exports, product development and related activities.

Continued the Quality Assurance Program. Program activities included organizing and hosting 24 seminars, which have now reached over 400 individuals representing some 300 firms and organizations from across the province; and pursuing the development of an Alberta consulting industry focussed on quality.

Promoted and increased the development of the plastics sector in Alberta. Investments totalled $15.5 million and included: Wedtech, Nova Geotechnical, ZCL Manufacturing, Provincial Plastics Products and Western Concord.

Hosted over 2,557 in-house meetings and responded to over 70,235 phone enquiries.

Continued to identify and promote opportunities for film production in Alberta. The following productions, totalling $35.6 million, took place in Alberta: "Bye Bye Blues", "Primo Baby", "Dead Bang", "C.F. Lady", "Getting Married in Buffalo Jump", "Personal Exemptions" and "The Ranch".

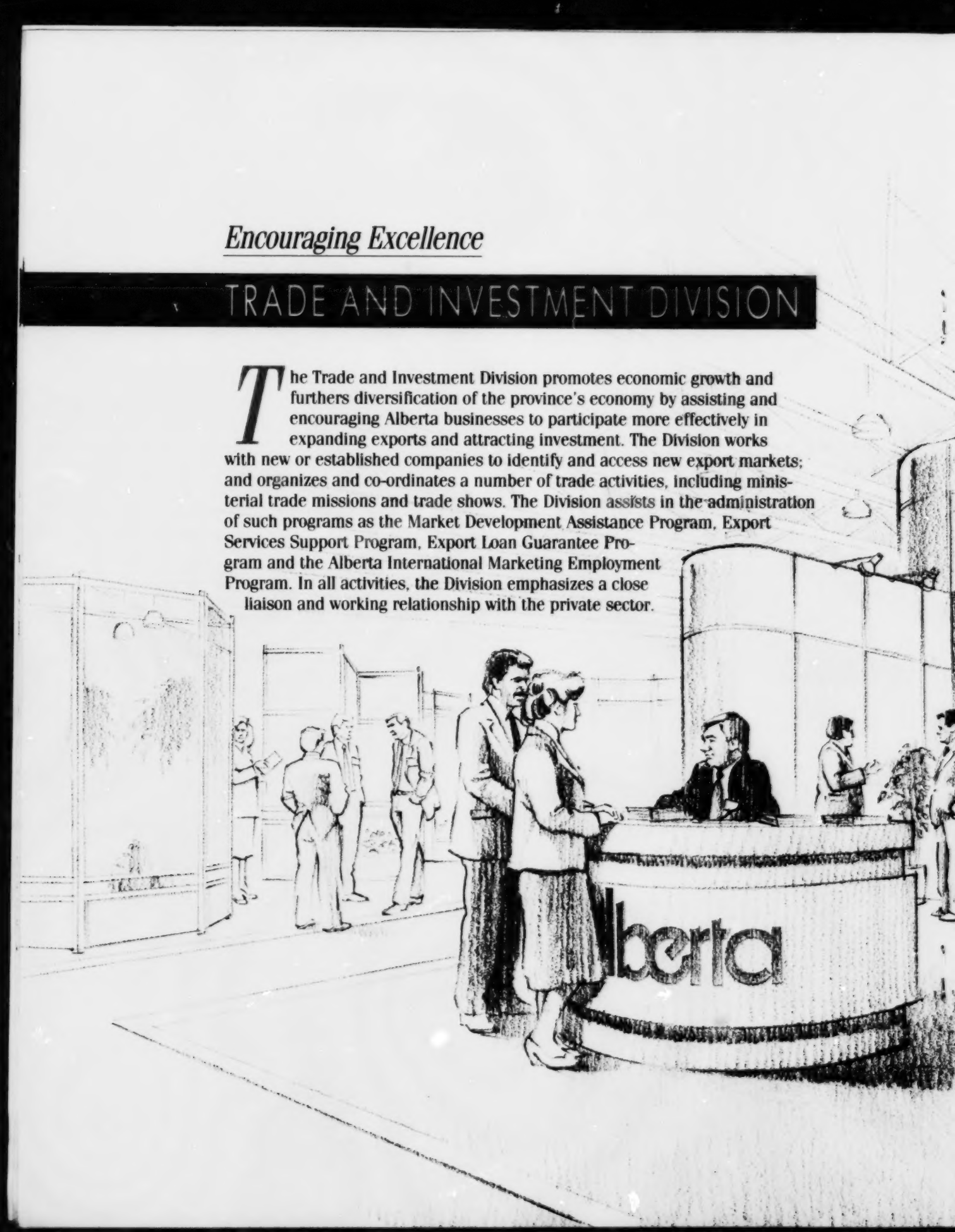
Facilitated the establishment of a joint engineering agreement between Stanley Associates, an Edmonton-based consulting firm, and H.A. Simons, Vancouver, to undertake the engineering design of a proposed pulp & paper mill project. The venture will transfer forest industry engineering technology to Alberta. Other successes included the awarding of an engineering contract to Stanley Associates for a significant portion of the $500 million Daishowa pulp mill project, and other engineering contracts to the UMA Group and Delta Projects Inc.

Provided nine Alberta manufacturers with grants totalling $217,264 under the Product Development Program.

Encouraging Excellence

TRADE AND INVESTMENT DIVISION

The Trade and Investment Division promotes economic growth and furthers diversification of the province's economy by assisting and encouraging Alberta businesses to participate more effectively in expanding exports and attracting investment. The Division works with new or established companies to identify and access new export markets; and organizes and co-ordinates a number of trade activities, including ministerial trade missions and trade shows. The Division assists in the administration of such programs as the Market Development Assistance Program, Export Services Support Program, Export Loan Guarantee Program and the Alberta International Marketing Employment Program. In all activities, the Division emphasizes a close liaison and working relationship with the private sector.



TRADE AND INVESTMENT DIVISION BRANCHES:

International Trade

Canada and the Americas

Investment Promotion

Trade Show Promotion

Marketing Research and International Finance

Marketing Strategies

INTERNATIONAL TRADE

The International Trade Branch identifies new international market and investment opportunities in the priority target countries of the Asia/Pacific, European, Middle Eastern and African regions. This is accomplished by providing export marketing assistance to Alberta businesses to increase their effectiveness and competitiveness in the international marketplace, through a program of outgoing marketing missions, incoming buyer missions, seminars and export counselling as well as other unique and innovative approaches to marketing internationally.

HIGHLIGHTS

Hosted the Annual Export Achievement Awards held in Calgary, honouring 17 Alberta companies for outstanding achievement in the export field.

In conjunction with the Departments of Agriculture and Tourism, organized AltaTrade '89, a conference involving Alberta's ethnic business community to promote Alberta internationally and increase trade and investment opportunities for the private sector.

Participated in the International Polar Technology Exposition as part of the biennial meetings of the Scientific Community for Antarctic Research in Hobart, Tasmania. Alberta companies made up over 80% of the Canadian contingent of participants; quotes were submitted on well over $1 million worth of sales opportunities.

Co-ordinated a program under which senior oil and gas officials from India, Pakistan and Bangladesh met with over 300 Alberta companies on a person-to-person basis. One significant result has been the formation of an Indo-Canadian working group on oil and gas.

Organized 56 incoming buyer delegations from Eastern Europe and 25 sector-assisted outgoing missions to the area. Other achievements for Eastern Europe included assisting AOSTRA in signing five agreements on scientific and technical co-operation and organizing an Alberta Arctic Seminar in Moscow with the participation of eight Alberta companies and 232 Soviet experts.

Continued to promote Alberta's building products in Korea and Japan. An Alberta company managed to penetrate both markets. In Korea, the company is working on an $800,000 project, as well as a $1 million joint venture with a Korean firm. In Japan, the company secured a repeat sale of $450,000.

Working with the London office, organized a major Canadian Defense Seminar, in conjunction with the British Defence Manufacturers Association. Key speakers from the Canadian High Commission as well as the Canadian Armed Forces addressed senior representatives from over 40 British companies.

Facilitated the establishment of an agreement between the People's Republic of China (PRC) and the Government of Alberta to strengthen trade and promote Alberta technology in the PRC. This initiative will be carried out at the China/Alberta, Canada Petroleum Technology Exchange and Training Centre to be located in Beijing.

Was involved in about 30 outgoing missions and about 100 incoming buyer missions.

Organized a marketing mission to Turkey, Saudi Arabia, United Arab Emirates, Qatar, Bahrain and Oman where over 60 potential export projects, ten potential investors and ten potential entrepreneurial immigrants were identified for Alberta.

CANADA AND THE AMERICAS

The Canada and the Americas Branch promotes trade in Canada, the United States, Latin America and the Caribbean. Each represents a distinctive market area which requires individual marketing programs. The branch focuses on increasing the profile of Alberta exporters in these three areas.

HIGHLIGHTS

Facilitated an increased number of incoming buyer and outgoing selling missions, with the help of the international offices and related agencies.

Organized an historic mission to Cuba; ten Alberta companies were welcomed as potential partners in the development of the Cuban petroleum industry. Potential short-term sales of U.S. $2 million were identified.

Assisted 91 companies in obtaining funding through the Market Development Assistance Program to participate in outgoing missions and market identification tips. As a result, companies realized actual sales of $1,544,574 and anticipate $21,635,000 in future sales.

Provided an increased number of export training and education seminars and conferences in Alberta and the export marketplace.

Expanded the U.S. Agents and Distributors Program, designed to introduce Alberta companies to United States agents and representatives. A total of 856 potential new agents were identified, with 230 expressing a desire to represent Alberta firms. As a result, 135 Alberta manufacturers were introduced to potential U.S. representatives.

Co-ordinated seven New Exporters to Border States (NEBS) missions to three U.S. cities (Spokane, Seattle and Minneapolis). As a result, 83 Alberta manufacturers received a practical, first-hand education on exporting to the United States.

Organized a mini-mission to Hawaii, identifying seven major projects for which Alberta companies could submit bids. One Alberta manufacturer was asked to supply technical data for a 150-home project, while the Hawaiian Government offered to enter into a joint venture with an Alberta firm for the development of a 10,000 unit housing project.

Organized nine missions to Latin America and the Caribbean involving 41 Alberta companies.

Arranged the participation of 20 buyers from the United States, 14 from Latin America and numerous others from the Caribbean countries in the National Petroleum Show in Calgary. There was a comprehensive program of plant visits, seminars and technical presentations.

Hosted a visit of the Washington State Department of Trade and Economic Development.

INVESTMENT PROMOTION

The Investment Promotion Branch promotes awareness of Alberta's economic capabilities and investment opportunities in the international investment and financial community through institutions, individuals, and government agencies. "Investment" includes active and passive investment, business immigration, joint ventures and technology transfer agreements.

HIGHLIGHTS

Assisted in numerous investment and joint venture projects including a sawmill, canola crushing plants and a pulp mill project.

Hosted 14 incoming missions from Hong Kong and the People's Republic of China.

Provided counselling to over 500 potential business immigrants on investment in Alberta.

Hosted an incoming buyers mission from Hungary to the National Petroleum Show; from Ferrostaal AG and Landesbank, West Germany; and from Societe General de Belgique (Belgium).

Organized a Ministerial Mission to Singapore, Malaysia, Indonesia and Thailand.

Hosted incoming investment missions from Qatar, Saudi Arabia and Algeria; and organized two outgoing mini-missions to Kuwait, Saudi Arabia, Jordan, Qatar and U.A.E.

Hosted incoming investment missions from Japan, Singapore and Korea and organized an Alberta mini-mission to Singapore, Brunei and Malaysia.

Organized an Alberta mini-mission to West Germany, Switzerland, Belgium, Austria, Hungary and United Kingdom.

TRADE SHOW PROMOTION

The Trade Show Promotion Branch provides professional expertise to the Trade and Investment Division in developing and executing a trade show program to promote the sale of Alberta goods and services in export markets.

HIGHLIGHTS

Conducted a series of 18 Trade Show Selling Seminars throughout Alberta, in conjunction with Chambers of Commerce and various industry associations, assisting 254 Alberta firms to become export-ready and to use trade shows as part of their marketing strategy.

Participated in Society of Petroleum Engineers 1988 Exhibition and Conference in Tianjin, China. Nine Alberta companies displayed products and services in the joint Canada/Alberta information stand. Alberta companies captured potential sales of $14.8 million.

Participated in the Canadian International Farm Show in Toronto. Supported 15 Alberta companies displaying goods and services at the show.

Attended 13 trade shows in Canada and abroad, in which 140 Alberta companies participated.

Sponsored an incoming buyers mission in conjunction with the Federal Government, for the National Petroleum Show in Calgary. A total of 107 delegates from 41 countries attended the show including two high-calibre missions from the U.S.S.R. and Jordan. Answered general inquiries on government programs and services.

Participated in the Canadian High Technology Show in Toronto, to promote Alberta's electronics and high technology industries. Thirteen Alberta companies participated, establishing over $2.5 million in potential sales.

MARKET RESEARCH AND INTERNATIONAL FINANCE

The Market Research and International Finance Branch provides support to the line branches in developing and carrying out their marketing programs. The Branch provides assistance to the Trade and Investment Directors and private sector clients in accessing projects funded by international financial institutions. The Branch is also responsible for the compilation, evaluation and dissemination of market intelligence. Special responsibilities assigned to this Branch include the general management of the design, procurement, construction and operations of the Beijing Petroleum Training Centre; the upgrading of division operations through the use of computer applications; and division budget coordination and monitoring.

HIGHLIGHTS

Negotiated the Alberta/China co-operation agreement for the Beijing Petroleum Training Centre. This official agreement was signed in February, 1989.

Provided advice and information to 86 Alberta companies on export finance and services and assisted them in accessing finance programs.

Sponsored a CIDA Business Development Workshop for trade officers and private companies.

Undertook research on Electronic Bulletin Board software and hardware through visits to Vancouver, Toronto and Washington, D.C.; and submitted preliminary proposal to Executive Committee, which was approved in principle.

Participated in the Asian Development Bank seminar in Calgary.

MARKETING STRATEGIES

The Marketing Strategies Branch, established during 1988/89, is responsible for identifying and analyzing new trade and investment opportunities for Alberta companies arising out of new international trading agreements. The Branch formulates specific strategies that might be undertaken by the Department related to international market developments.

HIGHLIGHTS

Planned "Let's Talk Trade" seminars for Alberta businesses, to be held in 21 communities across the province. The prime objective of this series will be to identify trade opportunities arising from the Canada/U.S. Free Trade Agreement, as well as other trade and investment opportunities.

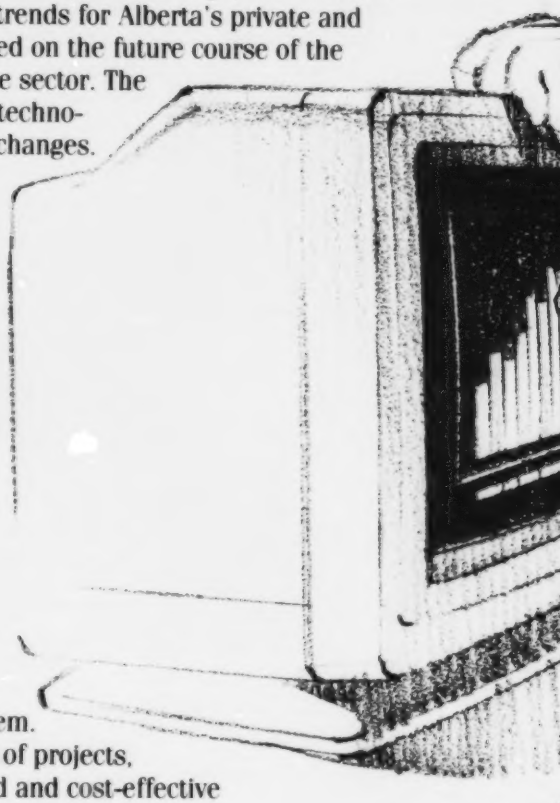
Developed a strategy to take advantage of trade and investment opportunities emerging from the European Economic Community initiative – "Europe 1992".

Encouraging Excellence

POLICY AND PLANNING DIVISION

The Policy and Planning Division provides policy analysis, development and co-ordination in the areas of business development, diversification, investment, trade, transportation and international assistance.

In developing strategy and acting as a catalyst for change, the Division analyzes the implications of long-term global trends for Alberta's private and public sectors. Strategic intelligence is gathered on the future course of the world economy in co-operation with the private sector. The information is based on economic, social and technological factors as well as long-term structural changes.



The Division is responsible for developing and recommending policies and strategies that address the economic opportunities and challenges affecting Alberta's diversification prospects. This is done, in part, by developing and co-ordinating policy initiatives across divisional and departmental lines. The Division also co-ordinates cross-sectoral research and analysis within the Department, including the development of forecasts and assessments of economic issues, changes and performance.

To enhance the competitiveness of Alberta suppliers in export markets, the Division provides planning, project and program support toward the development of an efficient and integrated transportation system. This includes the initiation and administration of projects, investments and programs to provide improved and cost-effective transportation infrastructure and services.

The Division develops, co-ordinates and administers programs of international development in the areas of primary health care and entrepreneurial enterprises in association with non-governmental organizations.

POLICY AND PLANNING DIVISION BRANCHES:

Policy Development and Coordination

Transportation Services

Futures Compendium

Alberta Agency for International Development

POLICY DEVELOPMENT AND COORDINATION

The Policy Development and Co-ordination Branch develops economic strategies and programs related to the broad areas of industry, small business development, diversification, investment and trade. The Branch co-ordinates the Department's policy position on economic development issues, particularly those which cross divisional and departmental lines. In addition, the Branch takes a lead role in co-ordinating economic development initiatives at the interdepartmental level and provides a focal point for this type of activity.

HIGHLIGHTS

Supported the work of the Committee of Ministers on Internal Trade, a federal/provincial/territorial group established by First Ministers to pursue opportunities for trade barrier reduction or elimination within Canada. The Committee developed draft agreements covering government goods procurement and wine/spirits marketing, and recommended these to First Ministers for ratification and implementation.

Supported the activities of the Western Ministers Working Group on Diversification in implementing the direction and workplan agreed upon at the 1988 Western Premiers' Conference. The broad mission is to identify and pursue opportunities for co-operation among the four western provinces in areas related to diversification, economic development, and trade.

Co-ordinated Alberta's response to trade actions initiated by other countries. Assisted the private sector in resolving customs complaints, and in obtaining better information on trade-related issues.

Played a major role in the development of Alberta's position on the Canada/U.S. Free Trade Agreement, including the assessment of impact and the identification of opportunities for enhanced trade and investment. Following the ratification of the Agreement, the Branch co-ordinated Alberta's input into the follow-up negotiations with the U.S. on accelerated tariff reductions, technical barriers to trade, and services.

Played an active role in the negotiation and implementation of the Western Trade Barrier Reduction Agreement on Government Procurement, signed on March 6, 1989. The Agreement requires the elimination of barriers to government procurement of goods, services and construction contracts among the four western provinces. Worked on the development of a Western Procurement Information Network to provide live tender data to the private sector.

Co-ordinated the interdepartmental review of investment applications under the provisions of the Investment Canada Act and the review of business plans under the Business Immigration Program. Worked to identify investment trends and patterns, examined options for promoting the awareness of investment opportunities in Alberta, and developed publications and other materials which provided business information to potential investors.

Co-ordinated an industry/government task force to examine the total tax burden on industry in Alberta relative to other provinces and to develop policy options which could be considered by Ministers. Evaluated the competitiveness of Alberta as a place to invest and do business, and made recommendations on strategies to help industries adapt to a rapidly changing world economy.

Undertook a comprehensive study of the Alberta service sector in conjunction with Alberta Career Development and Employment. The study reviewed the current and potential contribution of services to the Alberta economy.

TRANSPORTATION SERVICES

The Transportation Services Branch works with Alberta firms to ensure that the Province's transportation facilities and services contribute to economic growth and diversification objectives. To achieve this, the Branch maintains ongoing contacts with providers of transport services, as well as industry, municipalities, other provinces and the federal government. The Branch monitors developments in regulation, the environment, and facilities and services (e.g., brokerages that assist smaller shippers).

HIGHLIGHTS

Co-ordinated the drafting of the Regional Airports Authorities Act, supported by Calgary's and Edmonton's Transportation Authorities and the Edmonton Regional Airports Task Force Association. This unique legislation enables the incorporation of Airport Authorities in Alberta.

Worked with the British Columbia Government and the Alberta Wheat Pool to examine ways of paying directly to farmers the $700 million Crow Benefit, under the Western Grain Transportation Act. The branch participated in the Parksville Conference, where it was established that each western province determines the method of payment for the federal subsidy and requested that the federal government institute a producer method-of-payment pilot project in Alberta and British Columbia.

Held 16 workshops with a total of 224 participants under the Alberta Physical Distribution Program, a self-help program designed to assist small Alberta companies in developing an approach for controlling and reducing distribution expenses. Since its inception in 1984, the program has identified potential savings to participating companies of over $7 million.

Worked with the communities of Banff, Calgary, Edmonton, Jasper, and Lake Louise and with Alberta Tourism on the Alberta Task Force on Rail Passenger Service.

Provided submissions to the National Transportation Agency on the recalculation of the grain freight rate to ensure Alberta farmers pay the lowest possible rate.

Developed and presented to the federal government, in co-operation with the other three western provinces, a rail rationalization proposal which included compensating farmers for the abandonment of grain-dependent railway lines, which would encourage the abandonment process and lead to a lower-cost grain transportation system for farmers.

FUTURES COMPENDIUM

In order to assist Alberta Economic Development and Trade to achieve its mission, the Futures Compendium develops strategic intelligence on the likely future course of the world economy, based on economic, social and technological change as well as information on long-term structural change. The Futures Compendium identifies implications of long-term global opportunities and challenges for Alberta's private and public sectors, develops long-term strategic directions for the Department, and acts as a catalyst for change. The Futures Compendium accomplishes this by working with its private sector Advisory Council, other divisions of the Department and other departments.

HIGHLIGHTS

Maintained the futures scanning and monitoring system, compiling information on trends and events from various information sources. Disseminated some of this information through a futures monthly newsclip service.

Organized a futures reconnaissance mission to Europe and the Soviet Union to examine prospects for the "Europe 1992" program and to explore economic relations between Western Europe and the communist bloc.

Updated global economic scenarios which described alternative ways the world economy might evolve in the future. Scenarios were intended to provide references against which the effectiveness and validity of economic policy discussions could be tested.

Undertook specific projects, applying futures information to subjects such as global economic restructuring and the nature of Alberta's manufacturing sector; assessment of India as a trading partner; Japanese perceptions of Alberta as a place for direct investment; and emerging economic trends in North America, Europe and Japan.

ALBERTA AGENCY FOR INTERNATIONAL DEVELOPMENT

Alberta and Canadian Non-Governmental Organizations (NGOs), private and voluntary agencies engaged in social and economic development assistance work in less-developed countries, have a well-earned and worldwide reputation for the excellence of their development projects and programs. The people of Alberta recognize both the quality of this work and the great need for it in today's world by generously contributing more to the NGOs, on a per capita basis, than any other province. Last year these contributions totalled in excess of $22 million.

The Government of Alberta recognizes the high level of commitment Albertans make each year to NGO work and provides financial support for this work through its Alberta Agency for International Development. This support is provided on a project-by-project basis, with each project submitted receiving a careful assessment and evaluation in terms of its developmental impact and cost in relation to anticipated results. Four categories of projects are eligible for Alberta Government financial assistance. These are Primary Health Care, Small Business Enterprise, Vocational Training and Food Production.

HIGHLIGHTS

Worked with a budget of $3.1 million for project financial assistance, and provided an additional $250,000 for rehabilitation and reconstruction projects in response to the havoc created by hurricanes Gilbert and Joan and by severe flooding in Bangladesh.

Provided $3,335,884 for matching project funds.

Assisted the people of 58 less-developed countries with assistance.

Supported 235 projects.

Provided assistance to 75 Non-Governmental Organizations participating in the program.

HUMAN RESOURCES

The Human Resources Branch provides support and consultative services to the Department in human resource management and development and administers the payroll and benefits programs. It develops, recommends and supports policies, furthering effective, consistent and equitable human resource management practices. This includes providing advice and assistance to management and staff in organization development and effectiveness, human resource planning, occupational health, employee relations, staff development and training, employee benefits, performance management and career planning.

The Human Resources Branch administers the staffing process, and the classification and payroll systems within the statutory requirements of applicable acts, regulations and policies established by central control agencies.

HIGHLIGHTS

Assisted in the establishment, classification and recruitment to the new Capital Loan Guarantee and Small Business Interest Shielding Programs.

Administered and managed 101 recruitment actions as well as temporary staff activities.

Integrated training and development into the budget process.

Developed and edited a monthly departmental newsletter.

Reviewed and classified 100 position allocation requests.

Maintained the Department's staffing requirements; at the conclusion of 1988/89, there were 287.7 full-time equivalent positions: 260 Permanent, 27.7 Non-permanent.

FINANCE AND ADMINISTRATION

Finance and Administration provides responsive central departmental support, co-ordination and guidance in accounting, budgeting, information management, electronic data processing (EDP), physical facilities and office services to enable the Department to achieve its goals and objectives. In addition, it develops and recommends policies which advocate responsible financial and resource management practices.

These services are accomplished through the effective and efficient use of given resources by providing expertise and assistance to the Department and its clients within the parameters of applicable acts, regulations, policies and guidelines.

HIGHLIGHTS

Developed a Departmental EDP interface with the DFS/CFS accounting system to improve the efficiency and timeliness in which financial management reports are produced.

Undertook a review of fixed assets and implemented an electronic fixed assets inventory control system to improve accountability and internal control over Departmental assets.

Provided responsive library services to 13,000 Departmental and client visitors to the Library. Also, prepared a catalogue of commercial databases that can be accessed by the Department.

Provided assistance to line branches in records management and co-ordinated the storage/disposition of 3,400 cubic feet of records.

Co-ordinated the relocation of the Calgary regional office from the Burns Building to the 999 Building.

Implemented Phase I of the Department's three-year EDP strategy which consisted of the evaluation of a pilot network and the acquisition and installation of 29 micro-computers. Also provided training to staff in the operation of the new equipment.

Co-ordinated the acquisition and placement of telecopiers in the Department's regional offices to improve communication with clients and the Edmonton office.

Acquired and installed EDP equipment for the Alberta Capital Loan Guarantee and Small Business Interest Shielding Programs.

COMMUNICATIONS AND INFORMATION

The Communications and Information Branch supports the Department's economic diversification initiatives by providing communications and public relations consulting and technical services to ensure the flow of accurate and timely information to the general public, media and the business and government communities within Alberta, Canada and internationally. These services include developing communications plans; preparing news releases and press conferences; producing publications, audio visual and video presentations, displays, advertising and direct mail campaigns; and writing and editing services. The Branch also acts as the liaison between the Department and media, answering questions and providing information on government programs, policies and services.

HIGHLIGHTS

Created special advertising campaigns for the promotion of Export Trade Month and Small Business Week.

Provided communications support to various missions that took place during the fiscal year including the Ministerial Mission to South East Asia.

Developed the "Class of 2000", a print advertising campaign promoting Alberta's successes in diversification and the importance of further diversification to Alberta's future.

Developed communications materials for the 1988 Export Achievement Awards, including a news release, invitations, certificates, the program, advertising and displays, providing promotion for both the event and for Alberta companies which received awards.

Developed a graphic identity program for the Let's Talk Trade seminars, and prepared communications materials including press kit folders, buttons and name tags, poster, workbook, displays, advertising and direct mail campaigns, as well as produced the corresponding brochures including *Targetting Tomorrow, Seizing the Opportunity, Financial Program Guide*, and *Strategies for Success.*

Produced various advertising materials, brochures and displays to support 13 trade shows, and numerous trade seminars such as the Canadian High Tech Show in Toronto and the California Market Trade Seminar. This included the "Think Deep" campaign promoting Alberta's offshore technology at the Offshore Newfoundland show.

Continued to produce and distribute the Department's magazine ALBERTA VENTURE.

Developed international advertising campaigns including a major investment campaign placed in key U.S. business magazines.

Reference and Information

PUBLIC

CODOC CODE Ca2ALETT
COPY NO. 1988/89 A56 c.2
TITLE Alta Econ Dev & Trade Annual

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DUE DATE

DEC 21 1990
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201-6503

Printed in USA